

Ordinance No. 60-07Passed May 29, 20 07

ORDINANCE NO. 60-07

An ordinance providing for the issuance and sale of \$1,200,000 notes, in anticipation of the issuance of bonds, for the purpose of paying a portion of the costs of acquiring the premises known as Arrowhead Country Club, located at 1500 Rogwin Circle SW in the City of North Canton, Ohio, and declaring an emergency.

WHEREAS, pursuant to Ordinance No. 81-06, passed May 22, 2006, notes in the aggregate principal amount of \$1,500,000 dated as of June 28, 2006 (the Outstanding Notes), were issued for the purpose stated in Section 1 thereof, to mature on June 27, 2007; and

WHEREAS, this Council finds and determines that it is necessary to issue the Notes authorized in this ordinance to retire the Outstanding Notes; and

WHEREAS, the Director of Finance as fiscal officer of this City has certified to this Council that the estimated life or period of usefulness of the improvement described in Section 1 is at least five years, the estimated maximum maturity of the bonds described in Section 1 is 30 years, and the maximum maturity of the Notes described in Section 3, to be issued in anticipation of the bonds, is 240 months from July 2, 2003;

NOW, THEREFORE, BE IT ORDAINED BY THE CITY OF NORTH CANTON, COUNTY OF STARK, STATE OF OHIO, THAT:

Section 1. It is necessary to issue bonds of this City in the aggregate principal amount of \$1,200,000 (the Bonds) for the purpose of paying a portion of the costs of acquiring the premises known as Arrowhead Country Club, located at 1500 Rogwin Circle SW in the City of North Canton, Ohio.

Section 2. The Bonds shall be dated approximately June 1, 2008, shall bear interest at the now estimated rate of 6.00% per year, payable semiannually on each June 1 and December 1 until the principal amount is paid, and are estimated to mature in 30 annual principal installments on December 1 of each year that are substantially equal. The first principal payment of the Bonds is estimated to be December 1, 2008.

Section 3. It is necessary to issue and this Council determines that notes in the aggregate principal amount of \$1,200,000 (the Notes) shall be issued in anticipation of the issuance of the Bonds and to retire the Outstanding Notes. The Notes shall be dated the date of issuance and shall mature one year from the date of issuance, provided that the Director of Finance may, if it is determined to be necessary or advisable to the sale of the Notes, establish a maturity date that is up to seven days less than one year from the date of issuance by setting forth that maturity date in the Certificate of Award. The Notes shall bear interest at a rate or rates not to exceed 5.25% per year (computed on the basis of a 360-day year consisting of twelve 30-day months), payable at maturity and until the principal amount is paid or payment is provided for. The rate or rates of interest on the Notes shall be determined by the Director of Finance in the certificate awarding the Notes (the Certificate of Award) in accordance with Section 6.

Section 4. The debt charges on the Notes shall be payable in lawful money of the United States of America, or in Federal Reserve funds of the United States of America as determined by the Director of Finance in the Certificate of Award, and shall be payable, without deduction for services of the City's paying agent, at the office of the Director of Finance or at the designated office of a bank or trust company designated by the Director of Finance in the Certificate of Award after determining that the payment at that bank or trust company will not endanger the funds or securities of the City and that proper procedures and safeguards are available for that purpose (the Paying Agent).

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Section 5.

The Notes shall be signed by the Mayor and the Director of Finance, in the name of the City and in their official capacities, provided that one of those signatures may be a facsimile. The Notes shall be issued in the denominations and numbers as requested by the Original Purchaser (as defined in Section 6) and approved by the Director of Finance. The entire principal amount may be represented by a single note and may be issued as fully registered securities (for which the Director of Finance will serve as note registrar) and in book entry or other uncertificated form in accordance with Section 9.96 and Chapter 133 of the Revised Code if it is determined by the Director of Finance that issuance of fully registered securities in that form will facilitate the sale and delivery of the Notes. The Notes shall not have coupons attached, shall be numbered as determined by the Director of Finance and shall express upon their faces the purpose, in summary terms, for which they are issued and that they are issued pursuant to this Ordinance. As used in this section and this ordinance:

"Book entry form" or "book entry system" means a form or system under which (i) the ownership of beneficial interests in the Notes and the principal of, and interest on, the Notes may be transferred only through a book entry, and (ii) a single physical Note certificate is issued by the City and payable only to a Depository or its nominee, with such Notes "immobilized" in the custody of the Depository or its agent for that purpose. The book entry maintained by others than the City is the record that identifies the owners of beneficial interests in the Notes and that principal and interest.

"Depository" means any securities depository that is a clearing agency under federal law operating and maintaining, with its Participants or otherwise, a book entry system to record ownership of beneficial interests in the Notes or the principal of, and interest on, the Notes and to effect transfers of the Notes, in book entry form, and includes and means initially The Depository Trust Company (a limited purpose trust company), New York, New York.

"Participant" means any participant contracting with a Depository under a book entry system and includes security brokers and dealers, banks and trust companies, and clearing corporations.

The Notes may be issued to a Depository for use in a book entry system and, if and as long as a book entry system is utilized, (i) the Notes may be issued in the form of a single Note made payable to the Depository or its nominee and immobilized in the custody of the Depository or its agent for that purpose; (ii) the beneficial owners in book entry form shall have no right to receive the Notes in the form of physical securities or certificates; (iii) ownership of beneficial interests in book entry form shall be shown by book entry on the system maintained and operated by the Depository and its Participants, and transfers of the ownership of beneficial interests shall be made only by book entry by the Depository and its Participants; and (iv) the Notes as such shall not be transferable or exchangeable, except for transfer to another Depository or to another nominee of a Depository, without further action by the City.

If any Depository determines not to continue to act as a Depository for the Notes for use in a book entry system, the Director of Finance may attempt to establish a securities depository/book entry relationship with another qualified Depository. If the Director of Finance does not or is unable to do so, the Director of Finance, after making provision for notification of the beneficial owners by the then Depository and any other arrangements deemed necessary, shall permit withdrawal of the Notes from the Depository, and shall cause the Notes in bearer or payable form to be signed by the officers authorized to sign the Notes and delivered to the assigns of the Depository or its nominee, all at the cost and expense (including any costs of printing), if the event is not the result of City action or inaction, of those persons requesting such issuance.

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The Director of Finance is also hereby authorized and directed, to the extent necessary or required, to enter into any agreements determined necessary in connection with the book entry system for the Notes, after determining that the signing thereof will not endanger the funds or securities of the City.

Section 6.

The Notes shall be offered to the Director of Finance as the officer in charge of the investments of the City, for purchase at a price not less than par, in accordance with law and the provisions of this Ordinance. Any Notes not purchased as investments of the City shall be sold by the Director of Finance at private sale at a price not less than par, in accordance with law and the provisions of this Ordinance. In accordance with her determination of the best interest of the City, the Director of Finance shall sign the Certificate of Award referred to in Section 3 to establish and specify the interest rate the Notes are to bear and other final terms of the Notes in accordance with the provisions of this Ordinance and to evidence the sale of the Notes to the original purchaser. The Director of Finance shall cause the Notes to be prepared, and have the Notes signed and delivered, together with a true transcript of proceedings with reference to the issuance of the Notes if requested by the original purchasers, to the original purchasers upon payment of the purchase price. The Mayor, the Director of Law, the Director of Finance, the Clerk of Council and other City officials, as appropriate, are each authorized and directed to sign any transcript certificates, financial statements and other documents and instruments and to take such actions as are necessary or appropriate to consummate the transactions contemplated by this Ordinance.

Section 7.

The City does not intend or represent that the interest on the Note will be excluded from gross income for federal income tax purposes under Section 103(a) of the Internal Revenue Code of 1986, as amended, and the City is not and shall not be obligated to take any action to attempt to secure or maintain any such exclusion.

Section 8.

The proceeds from the sale of the Notes, except any premium and accrued interest, shall be paid into the proper fund or funds and those proceeds are appropriated and shall be used for the purpose for which the Notes are being issued. Any portion of those proceeds representing premium and accrued interest shall be paid into the Bond Retirement Fund.

Section 9.

The par value to be received from the sale of the Bonds or of any renewal notes and any excess funds resulting from the issuance of the Notes shall, to the extent necessary, be used to pay the debt charges on the Notes at maturity and are pledged for that purpose.

Section 10.

During the year or years in which the Notes are outstanding, there shall be levied on all the taxable property in the City, in addition to all other taxes, the same tax that would have been levied if the Bonds had been issued without the prior issuance of the Notes. The tax shall be within the ten-mill limitation imposed by law, shall be and is ordered computed, certified, levied and extended upon the tax duplicate and collected by the same officers, in the same manner, and at the same time that taxes for general purposes for each of those years are certified, levied, extended and collected, and shall be placed before and in preference to all other items and for the full amount thereof. The proceeds of the tax levy shall be placed in the Bond Retirement Fund, which is irrevocably pledged for the payment of the debt charges on the Notes or the Bonds when and as the same fall due.

Section 11.

The Clerk of Council is directed to deliver a certified copy of this Ordinance to the County Auditor of Stark County.

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Section 12. This Council determines that all acts and conditions necessary to be done or performed by the City or to have been met precedent to and in the issuing of the Notes in order to make them legal, valid and binding general obligations of the City have been performed and have been met, or will at the time of delivery of the Notes have been performed and have been met, in regular and due form as required by law; that the full faith and credit and general property taxing power (as described in Section 9) of the City are pledged for the timely payment of the debt charges on the Notes; and that no statutory or constitutional limitation of indebtedness or taxation will have been exceeded in the issuance of the Notes.

Section 13. This Council finds and determines that all formal actions of this Council and of any of its committees concerning and relating to the passage of this Ordinance were taken in an open meeting of this Council or committees, and that all deliberations of this Council and any of its committees that resulted in those formal actions were in meetings open to the public in compliance with the law.

Section 14. This Ordinance is declared to be an emergency measure necessary for the immediate preservation of the public peace, health and safety of the City, and for the further reason that this Ordinance is required to be immediately effective so that the Notes can be sold at an early date to enable the City to retire the Outstanding Notes and thereby preserve its credit; wherefore, this Ordinance shall be in full force and effect immediately upon its passage and approval by the Mayor.

North Canton, Ohio
Adopted: 5/29/07


MAYOR

SIGNED: 5/31, 2007

ATTEST:


CLERK OF COUNCIL

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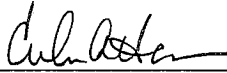
FISCAL OFFICER'S CERTIFICATE

To the Council of the City of North Canton, Ohio:

As fiscal officer of the City of North Canton, Ohio, I certify in connection with your proposed issue of \$1,200,000 notes (the Notes), to be issued in anticipation of the issuance of bonds (the Bonds) for the purpose of paying a portion of the costs of acquiring the premises known as Arrowhead Country Club, located at 1500 Rogwin Circle SW in the City of North Canton, Ohio (the improvement), that:

1. The estimated life or period of usefulness of the improvement is at least five years.
2. The estimated maximum maturity of the Bonds, calculated in accordance with Section 133.20 of the Revised Code, is 30 years, being my estimate of the life or period of usefulness of that improvement. If notes in anticipation of the Bonds are outstanding later than the last day of December of the fifth year following the year of issuance of the original issue of notes, the period in excess of those five years shall be deducted from that maximum maturity of the Bonds.
3. The maximum maturity of the Notes is 240 months from July 2, 2003.

Dated: May 29, 2007


Director of Finance
City of North Canton, Ohio